

SENATE RECORD VOTE ANALYSIS

104th Congress
2nd Session

Vote No. 48

March 21, 1996, 2:13 p.m.
Page S-2600 Temp. Record

LIVESTOCK GRAZING ON FEDERAL LANDS/Grazing Fees

SUBJECT: Public Rangelands Management Act of 1995 . . . S. 1459. Domenici motion to table the Bumpers modified amendment No. 3556 to the Domenici modified substitute amendment No. 3555.

ACTION: MOTION TO TABLE AGREED TO, 52-47

SYNOPSIS: As reported, S. 1459, the Public Rangelands Management Act of 1995, will reform the rules governing livestock grazing on Federal lands. The Act will supersede the Department of the Interior's and the Department of Agriculture's rules governing grazing on lands administered by the Bureau of Land Management (BLM) and the Forest Service.

The Domenici modified substitute amendment would enact changes agreed to by the bill sponsors in order to address concerns raised by some Senators.

The Bumpers modified amendment would set minimum grazing fees for permittees or lessees who own or control less than 2,000 animal unit months (AUMs) on the public rangelands. Those minimum fees would be \$1.50 per AUM for the 1997 grazing year, \$1.75 per AUM for the 1998 grazing year, and \$2.00 per AUM for each year thereafter. Permittees or lessees who owned or controlled 2,000 or more AUMs on the public rangeland would be charged the higher of the average State fee in the State in which they were operating or the above-listed fees plus 25 percent. (An "animal unit month" is equal to the amount of forage that is necessary to feed one cow, one horse, five sheep, or 5 goats for one month.)

Those favoring the motion to table contended:

The Bumpers amendment is a throw-back to prior year debates on grazing, which focused on grazing fees. The twist this year is that the amendment purports to target only "rich" corporate ranchers who are supposedly getting use of public lands in the West at fire-sale prices. It would sharply raise the grazing fees for "rich" ranchers by charging them the same price for a Federal lease in a State as the average price charged by that State for land that it leases for grazing. This proposal has three main problems. First, it falsely assumes that huge, rich companies are making obscene profits because of the low cost of grazing permits. Second, in tying

(See other side)

YEAS (52)			NAYS (47)			NOT VOTING (1)	
Republicans (41 or 77%)		Democrats (11 or 24%)	Republicans (12 or 23%)		Democrats (35 or 76%)	Republicans (0)	Democrats (1)
Abraham	Hatch	Baucus	Chafee	Akaka	Kohl		Kerrey- ²
Ashcroft	Hatfield	Bingaman	Cohen	Biden	Lautenberg		
Bennett	Helms	Breaux	DeWine	Boxer	Leahy		
Bond	Hutchison	Bryan	Gregg	Bradley	Levin		
Brown	Inhofe	Conrad	Jeffords	Bumpers	Lieberman		
Burns	Kassebaum	Daschle	Roth	Byrd	Mikulski		
Campbell	Kempthorne	Dorgan	Santorum	Dodd	Moseley-Braun		
Coats	Kyl	Feinstein	Smith	Exon	Moynihan		
Cochran	Lott	Ford	Snowe	Feingold	Murray		
Coverdell	Lugar	Heflin	Specter	Glenn	Nunn		
Craig	Mack	Reid	Thompson	Graham	Pell		
D'Amato	McCain		Warner	Harkin	Pryor		
Dole	McConnell			Hollings	Robb		
Domenici	Murkowski			Inouye	Rockefeller		
Faircloth	Nickles			Johnston	Sarbanes		
Frist	Pressler			Kennedy	Simon		
Gorton	Shelby			Kerry	Wellstone		
Gramm	Simpson				Wyden		
Grams	Stevens						
Grassley	Thomas						
	Thurmond						

EXPLANATION OF ABSENCE:

- 1—Official Buisiness
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

the Federal grazing fee to State grazing fees, it falsely assumes that there is an equivalence between Federal and State public lands. Third, its definition of a "rich" corporate ranching interest would classify many struggling, family-owned-and-operated ranches as "rich."

We concede that there are some rich corporate ranchers, and they often have very large holdings, but they did not get rich from ranching on public lands. If our colleagues are really bothered that some wealthy corporations and individuals who hold grazing permits are rich, we suggest they go after the means they used to become rich instead of raising the price of their permits. Further, it is our understanding that some of these companies hold permits only as a tax dodge--if we increase their fees, we may be only making the dodge more attractive.

If our colleagues' amendment actually hit its target we would not find it very objectionable. Large corporations are able to fend for themselves. The multinational corporations that our colleagues claim to be after could probably shoulder the higher proposed fees. In total, the United States collects only \$25 million per year in fees from some 22,000 permittees and lessees. Nine percent of the lessees control 60 percent of the land, as our colleagues have noted, which comes to an average lease payment of \$7,000 per year. Under the Bumpers amendment, a multinational corporation might have to pay up to 6 times that amount, but if it had sales in the hundreds of millions of dollars it might find that higher burden bearable. Charging a higher price based on the cost of State permits would be unjust and illogical, but it would not bankrupt large corporations.

It would, however, bankrupt family-owned-and-operated ranches that are totally dependent on grazing for their income. These ranchers would be classified as "rich" by the Bumpers amendment and consequently would be charged high rates unfairly based on State rates. To understand why the Bumpers amendment is unfair both in its rates and in to whom it would apply, one must first understand how and why the current grazing system developed. When the West was first settled, most of it was a vast wasteland. Vegetation and wildlife were extremely sparse. For the most part, both were concentrated along the few rivers and lakes that were found in this dry region. Settlers moved in and took the small areas of land that had water. The States then took the next best land. The remainder stayed in Federal hands. For most of the year, most of that Federal land was worthless because of the low amount of forage and the lack of water. Ranchers, though, gradually began to lease that land from the Federal Government. For the parts of the year that the land had some forage, they would move their herds onto it. In the early years, much of that sparse land was overgrazed from ignorance on how to maintain its value, but ranchers did not benefit from overgrazed land because it was not then useful for them in following years. They gradually improved their care of the land. From the middle part of this century on especially, their range management efforts not only preserved the range, they vastly improved it. The improvements they have made, particularly in water management, have increased the amount of vegetation and animal life throughout the West. For instance, in Colorado the elk population increased from 3,000 in 1900 to 185,000 in 1990, and its deer population increased from 6,000 to 600,000. The same has happened in all the other Western States. The Federal Government is paid by ranchers to use the land, and they improve it tremendously at the same time.

This land is still worth less than State-owned and privately owned land, though, and it is leased at less attractive terms than are either State or private lands. To begin with, they still have much less forage, so much larger areas must be covered in order to care for a herd. Second, unlike State and private land leases, Federal leases are multiple-use--lessees do not gain exclusive right to the land. Hunters, hikers, vacationers, and anyone else who wants to use the land is welcome to. Third, lessees perform nearly all the maintenance on Federal lands. When they lease State or private lands, they do not have to put up fences, set up irrigation systems, or do any of the other myriad expensive tasks that often come with ranching. Further, when permit holders make improvements to Federal lands, they become the property of the Federal Government. Our colleagues are aware of these facts, yet still they have proposed making Federal fees match State fees for "rich" ranchers. Putting aside the fact that the Federal land is not as desirable as the State land, we ask our colleagues if they in fairness would then say that they would manage the Federal lands like State lands? If the price is the same, we should try to make the product more the same. Further, we should just give the land to the States for them to manage. Personally, we see no reason why the Federal Government should own between 50 percent and 85 percent of most of the Western States. Unfortunately, we are not at all certain that our colleagues are concerned about being fair.

If they were, we do not see how they could have arrived at their definition of a "rich" permit holder, which they say is anyone with a permit for 2,000 or more AUMs per year. Using this definition, a rancher in new Mexico who 95 percent of his time had his herd on leased Federal land (which is a normal percentage for that State) would only be allowed to have 176 cows before he exceeded the 2,000 AUM threshold. For Senators who are not familiar with ranching, one does not become rich with a 176-head herd. Further, most ranchers who have more than 2,000 AUM are heavily indebted family ranchers. Of all the family ranchers in the West, the ones least able to take a large fee increase are those who lease the most land.

Ranchers on Federal lands are losing money. Cowboy families that have been on the land for generations have been going broke at an alarming rate for many reasons, including large increases in the price of feed, a one-third decline in the price of beef within the last year, and, not least, the new regulations on grazing that have been promulgated by Secretary Babbitt (the ranchers we have spoken with universally list those regulations as their chief concern). If these ranchers who are defined as "rich" by this amendment lived in a city with the same level of income, most of the liberal supporters of the Bumpers amendment would be falling all over themselves to give them more welfare instead of calling them "rich."

Unfortunately for these ranching families who built the West, and who are responsible for bringing a diversity and abundance

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of plant and animal life to those once barren States, their presence upsets some radical environmentalists, particularly in Eastern States. They are offended at the idea of cows being present in areas that they think should be pristine wilderness. For the past decade environmentalists have waged an open war against ranching, most commonly by abusing the legal process with frivolous suits to stop ranching. Various slogans they have adopted have been "No moo in 92" and "Cattle-free by 93." Since President Clinton was elected and Secretary Babbitt was appointed they have been winning their war. If the Bumpers amendment were to pass, the war would end with a total victory for the radical environmentalists. Ranching families that are currently going broke with the \$1.35 AUM grazing fee would not stand a chance of staying in business with the \$5 AUM to \$10 AUM fee that would result from the Bumpers amendment. Once these good stewards of the land were gone, the West would deteriorate to its former condition. Plant and animal life would disappear. A few radical environmentalists would be happy to see this result because it would be "natural," but most Americans would prefer to preserve the healthy environment that now exists, and would like to see the ranching families survive. The cowboy ranchers of the West are a part of America's heritage which we would like to preserve. They are a part of the environment, and its protectors, in a way that environmentalists never can be. We will not be a party to their destruction. We urge the rejection of the Bumpers amendment.

Those opposing the motion to table contended:

We have been fighting for grazing reform for more years than we care to admit, and we have been defeated every year. Currently, the Federal fee charged for grazing on public lands is \$1.35 per AUM. In contrast, State grazing fees are typically around \$5 per AUM, and private grazing fees are even higher still. One does not have to be a mathematical genius to see that the Federal Government is not charging enough money for the use of this land. This land belongs to the taxpayers of America, and the taxpayers are being ripped off by the low-grazing fees being charged.

Admittedly, we are not talking about a lot of money. Unlike other so-called "Western" issues, this rip-off is not seriously hurting America's pocketbook. For instance, we are not losing the billions of dollars that we lose in mining by giving away billions of dollars of worth of gold and silver for \$2.50 an acre. However, the principle is important. Just because we are only talking about a small amount of money, relatively speaking, is no excuse to charge too little for leasing it for grazing. This land is not owned by the lessees, nor do the Western States have any greater right to say how it is used than do the Eastern States. Public lands are owned by all Americans, and Americans are entitled to a fair return for their use.

In prior debates we have heard a great deal of concern expressed for small family ranchers. Our colleagues have made a credible case that many of these ranchers are in difficult financial straits. We sympathize with these ranchers. Just as we support efforts to help struggling family farmers in our States, we think that it is fair to help these struggling family ranchers. We are willing to charge them less than a fair price in order to help them out.

Accordingly, in this amendment we have only proposed making large ranching operations pay a fair price for the grazing permits they hold. We have pegged Federal grazing fees to State grazing fees. Federal fees would rise substantially, as they should, but they would still be well under the price that private landowners charge when they lease their land. Currently, the Federal fee is \$1.35 per AUM. In 1980 it was \$1.85. While the Federal fee dropped over these years, State fees and private fees rose. The disparity between the three sets of fees has never been greater than it is currently. The Bumpers amendment would permanently fix this problem for large, wealthy grazing interests only.

These interests, though they are few in number, control most of the permitted land. Just 9 percent of all permittees control 60 percent of the leased land, and just 2 percent of all permittees, on an acreage basis, control 50 percent of the permitted land. A quick look at some of the large permit holders reveals that some of the wealthiest corporations and individuals in America, including Anheuser-Busch, Hewlett Packard, and the billionaire J.R. Simplot control most of the grazing on Federal lands. We do not mind giving a helping hand to small family ranchers, but we very much object to giving handouts to billionaires and multinational corporations.

Frankly, with this amendment we think we have come a long way toward addressing our colleagues' concerns. Only a few rich ranchers would be asked to pay a fair rate for their grazing permits on Federal lands. We think this amendment is reasonable, and urge our colleagues to give it their support.